




STATE OF DELAWARE  
**PUBLIC SERVICE COMMISSION**  
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**MEMORANDUM**

**TO:** The Chairman and Commissioners

**FROM:** Lisa B. Driggins, Public Utilities Analyst 

**DATE:** July 23, 2019

**SUBJECT:** IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC., FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICES PURSUANT TO 26 DEL. C. § 203C (FILED FEBRUARY 13, 2009 AND AMENDED JULY 7, 2009)  
**PSC DOCKET NO. 09-CPCN-07 ("NORTHERN SUSSEX 2008")**

IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC., TO ABANDON UNDER 26 DEL. C. § 203A(d) WATER SERVICES PROVIDED UNDER A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY (FILED JULY 17, 2019)  
**PSC DOCKET NO. 19-0452**

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Artesian Water Company, Inc. ("AWC" or "Company") is a utility company providing water services for public use that is subject to the regulatory jurisdiction of the Delaware Public Service Commission ("Commission"). On August 18, 2009, the Commission granted via Order No. 7624 AWC's application for a Certificate of Public Convenience and Necessity ("CPCN") for water services for thirty-nine parcels of land distributed between southwest of Ellendale, Bridgeville, and Milton in Sussex County, Delaware (the "Proposed Service Area"). On July 17, 2019, AWC filed an application ("Application") with the Commission seeking to partially abandon or discontinue its CPCN for water operations or services by removing fourteen parcels of land from its CPCN, specifically Sussex County Tax Map Parcel Numbers (the "Parcels"):

Tax Parcel Nos.:	230-26.00-29.00	230-31.00-67.00	230-31.00-79.00
	230-31.00-37.00	230-31.00-68.00	230-31.00-93.00
	230-31.00-40.00	230-31.00-72.00	230-31.00-127.00
	230-31.00-45.00	230-31.00-75.00	230-31.00-161.00
	230-31.00-53.00	230-31.00-77.00	

Subsequent to the CPCN being granted in Docket No. 09-CPCN-07, Tax Parcel Nos. 230- 31.00-40.00 and 53.00 were combined with other parcels. Tax Parcel No. 230-31.00-40.00 was combined with Parcel No. 230-31.00-40.05, which was certificated in Docket No. 09-CPCN-33. Tax Parcel No. 230-31.00-53.00 was combined with uncertificated Tax Parcel No. 230-31.00-55.00. The combining associated with Tax Parcels 230-31.00-40.00 and 53.00 causes the map to show partial CPCN's. Artesian's abandonment request reflects only the portion of both properties originally certificated in Docket No 09-CPCN-07. If the Commission grants the Application, AWC will retain a CPCN for the remaining parcels within the existing CPCN.

Delaware law provides that no public utility shall abandon or discontinue, in whole or in part, any regulated public utility business, operations or services provided under a certificate of public convenience and necessity without first having received Commission approval for such abandonment or discontinuance. 26 *Del. C.* § 203A(d)(1). Such applications must be made to the Commission in writing, verified by oath or affirmation, and be in such form and contain such information as the Commission may from time to time require. 26 *Del. C.* § 203A(d)(2). Finally, the Commission must approve any such application when it finds that the utility has met its burden of proving that the abandonment or discontinuance is reasonable, necessary and not unduly disruptive to the present or future public convenience and necessity. 26 *Del. C.* § 203A(d)(3).

Staff reviewed the Application and found it complies with all Delaware statutory and regulatory requirements. The Company provided a verified Application that requests to abandon a portion of the CPCN relating to water service for the Parcel. Staff believes the abandonment is reasonable because AWC currently does not supply water services to the Parcel. The abandonment is necessary because Sussex County (the "County") passed Resolution No. R 015 18, establishing the Ellendale Water District ("Water District"), enabling the County to take the necessary steps to provide safe reliable drinking water to residents of the Town of Ellendale (the "Town"). In addition, AWC and the Town entered into a Water Service Agreement whereby AWC will sell water to the County which can then provide water service to the Town. Hence, as part of the Agreement, AWC agreed to abandon certain tax parcels to allow the County to obtain the CPCN rights for the Water District. Finally, the abandonment will not be unduly disruptive to the present convenience and necessity because no existing AWC customers are located within the tax parcel to be abandoned. If the Commission grants the Application, the abandonment would not be unduly disruptive to the future convenience and necessity because future customers would not be impeded (in general) from receiving water services from another public utility.

Therefore, Staff recommends that the Commission grant AWC's request to partially abandon its CPCN.

Artesian Water Company, Inc.  
Docket No. 19-0452 "09-CPCN-07 Abandonment"  
August 6, 2019

